NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) - Paid Up With 640 Acres Pooling Provision



PAID UP OIL AND GAS LEASE

(No Surface Use)

(110 Sullines ese)
THIS LEASE AGREEMENT IS made this 22 day of OCTOBER 2007 by and between RICHARO M. TATU P.O.A. FORS
PUCILEICA M. TATU 1908 LANETTE LN. PRUINGTON, TX. 76010 -84; And CHESAPEAKE EXPLORATION, L.L.C., an Okiahoma limited liability company, P.O. Box 18496, Okiahoma City, Okiahoma 73154-0496, as Lessee. All printed portions of
AND CHESADEAKE EXPLORATION 1.1.C. ON Objection of instead liability, company DO. Box 18400 Objection of Objection of 18400 Obje
this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and
Lessee.
1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described
land, hereinafter called leased premises; BLIC (7
19 c acres of land, more or less, being LOTU out of the HOWEMULER HILLAN addition to the city of ARLINGTON
Texas, being more particularly described by metes and bounds in that certain Very Scient Town at This recorded On Volume 13819, Page 00044, of the Official Public Record, of Taxon County, Texas;
On Volume 138/9, Page 00044, of the Afficial Public Record, of Tarent County, Texas;
May 19,1999

more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of five (5) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.
- 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty percent (20%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be twenty percent (20%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, seyerance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary/term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such payment to be made to Lessor's credit in the depository designated below, on or before the end of said 90-day period while the well or wells ar Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons production is being sold by Less period next following cessation of operate to terminate this lease.
- All shut-in royally payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in _at lessor's address above or its successors. which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive
- payments.

 5. If Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restoring production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities between the leased premises or lands pooled therewith. After completion of a well capable of producing quantities between the leased premises or lands pooled therewith. After completion of a well capable of producing paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder. Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.
- 6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a unit formed by such poofing for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment, and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in facilities or equivalent testing the program of the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross completion interval in the reservoir exceeds the vertical component of the gross equipment, and the term included in the effective date of production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lesson's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this fease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to comform to the well spacing or density pattern unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.
- such part of the leased premises.

 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the o. The interest of either Lessor or Lessee nereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or lender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more

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persons are entitled to shut-in royalties hereunder. Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its Interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter Lessee with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of pay or lender shut-in royalties hereunder shall be divided between Lessee and the transferree in proportion to the net acreage interest in this lease, the obligation to 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

LESSOR (WHETHER ONE OR MORE)

the area covered by this lease or any depths or zones thereunder, and shall the exposit to be related of all obligations thereafter and in the states and in a state of the state sease at it an undivided interest in less than all of the area covered hereby. Leases's obligations to pay or trained with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the feased premises or lands pooled or unitted therewith, in primary and/or enhanced recovery, Leases shall have the right of ingress and egress along with the right to control auton operations on the seased premises or near pooled or unitted the recomplying and marketing oil, gas and other substances covered hereby on the feased premises or lands pooled or unitted therewith, in primary and/or enhanced recovery, Leases shall have the right of ingress and egress along with the right to control auton operations on the seased premises or foreign and the construction and use of orands, cranks, piedness, canks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed nacessary by Leases to discover, produce, stanks, wells or pronds. In exploring, developing, producing or marketing from the leased premises or other partial termination of this leaves and premises, except water from Leaser's wells or pronds. In exploring, developing, producing or marketing from the leased premises or other partial termination of this leaves and premises and the control of the stanks used by leaves the stanks and the control of the stanks used by Lease in which Leaser's ordinary plants and the stanks and the stanks and a stank and the stanks and

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's s, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

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Richard M Tatu (POA)	Puliekam. Totas			
# 4[X 94 D)	1946, 471, 19140			
	ACKNOWLED	gment lidaed	m. Talu (Por	NPulieKa M. Tat
STATE OF TEXAS COUNTY OF This instrument was acknowledged BERENIZE GUSN Notary Public, State My Commission I	MAN of Texas Expires	0 1 0	aise	Gernan
March 04, 20	ACKNOWLED	GMENT		4
STATE OF TEXAS COUNTY OF This instrument was acknowledged	before me on theday of	Notary Public, State of Texas Notary's name (printed); Notary's commission expires;		
	CORPORATE ACKNO	: DWLEDGMENT	Φ	
STATE OF TEXAS COUNTY OF This instrument was acknowledged		20	, by	of
	,	Notary Public, State of Texas Notary's name (printed); Notary's commission expires;		
	RECORDING INF	ORMATION		1.
STATE OF TEXAS				
County of	dov. 🕶	. 20, al	o'cłock	M., and duly recorded in
This Instrument was filed for record on the				
Book, Page, of the	records of this office.	80		
By Clerk (or Deputy)		4.3	. 1	



CHESAPEAKE ENERGY CORP 301 COMMERCE ST STE 600

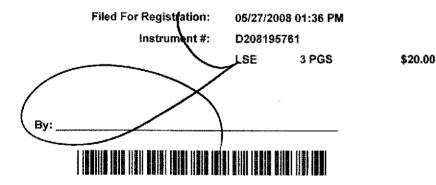
FT WORTH

TX 76102

Submitter: CHESAPEAKE ENERGY CORPORATION

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

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